



ORIGINAL

Sulphur Springs Valley Electric Cooperative, Inc.



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RECEIVED
A Touchstone Energy® Cooperative



311 E. Wilcox, Sierra Vista AZ 85635

AZ CORP COMMISSION
DOCKET CONTROL

Arizona Corporation Commission
Docket Control
1200 W. Washington
Phoenix, AZ 85007

Arizona Corporation Commission
DOCKETED

July 1, 2015

JUL 07 2015

COMPLIANCE REFERENCE DOCKET NO: E-01575A-10-0311

DOCKETED BY

MLB

Dear Sirs,

Please accept this notification of refinancing activities of \$30,801,649.53. Prior to refinancing this debt, SSVEC obtained bids from the National Rural Electric Cooperative Finance Corporation (CFC), SSVEC's current lender, Barclay's and CoBank ACB (CoBank). Also considered, were the capital credit retirement policies, penalties and penalty reimbursement policies of both cooperative lenders. All factors considered, it was determined through the bidding and evaluation process that CoBank was the least cost lender for \$27,801,649.53 of the new fixed rate loans, with CFC as the least cost lender for \$3,000,000. As a result, SSVEC refinanced with each of those lenders.

Attachment 1 addresses the requirements of Docket E-0175A-10-0311 and illustrates the loans prior to and after the refinancing. This document will show that SSVEC complied with the requirements of the docket as follows:

1. The interest rate of the refinanced debt after capital credits, ranges from 1.65% - 3.40% fixed rate, compared to 1.43% (variable rate) previously.
2. The term of the loan will not be shorter than the remaining term of the loan being refinanced. In each of the loans the maturity date is the same or later than the loan being refinanced.
3. The resulting loan will not be an interest only loan. Rather, the resulting loan should be an amortizing loan that requires the Cooperative to make periodic principal payments no less frequently than yearly. All of the loans are amortizing loans that require periodic principal payments.

Please feel free to contact me if there are any questions or additional information is needed.

Respectfully,

Sara Bojorquez, Assistant to Kirby Chapman, CFAO

Phone: (520) 515-3495

Email: sbojorquez@ssvec.com



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Electric Cooperative, Inc.**

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[-----Original CFC or CoBank Loan That Is Being Refinanced-----]					[-----New Fixed Rate Loan-----]				
Original CFC Loan or New CoBank Loan	Original Advance	Original Maturity	Time 'til Maturity 4/22/2015	Original Interest Rate	Current Loan #	Account	{-----Refinanced Amount -----}	New Loan #	Interest rate
2864284	1/6/2015	9/20/2021	6.41	1.43%	262564	2889486	1,327,227.36		2.2300
2864303	1/6/2015	6/20/2033	18.16	1.43%	262577	2889567	2,856,747.81		3.4900
2854165	12/2/2014	3/20/2045	29.91	1.43%	260199	2889455	5,359,185.83		4.0600
2871811	2/6/2015	3/20/2045	29.91	1.43%	260199	2889455	10,909,496.81		4.0600
9021001	2/6/2015	3/20/2045	29.91	1.43%	266845	2889551	7,348,991.72		3.8100
2833044	8/26/2014	12/20/2046	31.66	1.44%	9052001	9052001	3,000,000.00		3.7000
Total							\$ 30,801,649.53		

FOOTNOTES:

CFC Loan Numbers begin with "9"

CoBank Loan Numbers begin with "2"

The rates shown above are actual and do not factor in capital credit retirement policies of lenders

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